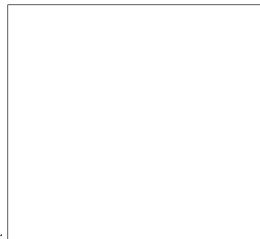


MEMORANDUM FOR:

Cynthia

*Please file - Annuity
Comparisons*



Date

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COMPARISON OF PRINCIPAL PROVISIONS OF THE CIVIL SERVICE AND OTHER RETIREMENT SYSTEMS
(CIA, FOREIGN SERVICE, LAW ENFORCEMENT)

NOTE: This chart has been prepared to give only general information about these retirement systems.
The presentation is necessarily simplified and many technical points are not covered.

Item	Civil Service Retirement	CIA Retirement	Foreign Service	Law Enforcement & Firefighter
Contributions to Retirement Fund	By employee: 7% of basic pay. By Agency : 7% of basic pay.	Same as CS.	Same as CS.	By employee: 7 1/2% of basic pay. By Agency : 7 1/2% of basic pay.

Computation of Annuity				
Basis	Based on average basic salary for highest three consecutive years of service (high-3) and years of creditable service increased by the days of unused sick leave.	Same as CS.	Same as CS.	Same as CS. Hi-3 includes basic salary plus premium pay.
Formula	1 1/2% of high-3 times first 5 years of service + 1 3/4% of high-3 times second 5 years of service + 2% of high-3 times remaining years of service.	2% of high-3 times years of service.	2% of high-3 times years of service.	2 1/2% of high-3 for first 20 years of law enforcement or firefighter service; 2% of high-3 for total service in excess of 20 years.
Maximum	80% of high-3 (attained at 41 years, 11 months service). Annuity in excess of the maximum that is produced by crediting unused sick leave is payable.	70% of high-3 (attained at 35 years of service). Same as CS.	70% of high-3 (attained at 35 years of service). Same as CS.	80% of high-3 (attained at 35 of service). Same as CS.

Item	Civil Service Retirement	CIA Retirement	Foreign Service	Law Enforcement & Firefighter
Computation of Annuity (continued)				
Total service required to produce annuity equal to 50% of high-3 or final pay as applicable.	26 years and 11/12 years.	25 years.	25 years.	20 years.
Credit for Military Service	As a general rule, military service is creditable, without deposit to the fund, provided it was active service, was terminated under honorable conditions, and was performed before separation from a civilian position under the retirement system. Military service covers service in the Army, Navy, Air Force, Marine Corps, and Coast Guard, including the service academies and, after June 30, 1960, in the Regular Corps or Reserve Corps of the Public Health Service, and, after June 30, 1961, as a commissioned officer of National Oceanic and Atmospheric Administration or its predecessor organizations.	Same as CS.	Same as CS.	Same as CS.
Cost-of-living Adjustment	Geared to a comparison of the average CPI for the third calendar quarter of one year with the average CPI for the third calendar quarter of the next year. 1 December permanently changed as effective date for increase.	Same as CS.	Same as CS.	Same as CS.

Item	Civil Service Retirement	CIA Retirement	Foreign Service	Law Enforcement & Firefighter
Computation of Annuity (continued)				
Reduction for age	Annuity is reduced by 2 percent per year for each year the employee is under age 55. This reduction does not apply in the case of disability retirement.	No reduction for age for any type of retirement.	No reduction for age for any type of retirement.	No reduction for age for any type of retirement.
Optional (Voluntary)	Available at age 55 with 30 years service, age 60 with 20 years service, age 62 with 5 years service.	Available at age 50 with 20 years service, including 10 years Agency service of which 5 years are qualifying, upon application and with consent of DCI.	Available at age 50 with 20 years service.	Available at age 50 with 20 years of law enforcement or firefighter service.
Involuntary Retirement	Immediate annuity available if involuntarily separated, not for cause, if: Any age with 25 years service; Age 50 with 20 years service. Earned annuity reduced proportionately for years under age 55.	Involuntary retirement at the discretion of the DCI if: Any age with 25 years service; or age 50 with 20 years service. In either case, must have 10 years Agency service including 5 years of qualifying service.	Involuntarily retired with immediate annuity when selected-out at any age as FSO class 1, 2 and 3.	No similar provision.

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Item	Civil Service Retirement	CIA Retirement	Foreign Service	Law Enforcement & Firefighter
Disability Retirement	Available at any age with 5 years of service. Guaranteed minimum annuity is the lesser of: (1) 40% of high-3; or (2) annuity computed by extending service to age 60.	Same as CS. Same as CS.	Same as CS. Same as CS.	Same as CS. Same as CS.
Mandatory (Age) Retirement	No mandatory retirement age.	Required at: Age 65 if SIS-04 or above; Age 60 if SIS-03 or below. The DCI may extend a participant's service for not more than 5 years.	Required at Age 65.	Required at age 55 or completes 20 years of law enforcement or fire-fighter service, if over age 55. (Mandatory at age 60).
Deferred Annuity	② An employee who is separated before becoming eligible for an immediate annuity but with five years or more of service may elect to leave his contributions in the Retirement Fund and receive an annuity at age 62.	Same as CS.	Any participant who is separated before becoming eligible for an immediate annuity but with five or more years of service may elect to leave his contributions in the fund and receive a deferred annuity at age 60.	Same as CS. (General Formula).